

QUALITY CONTROL SPECIAL STUDY

NJQC

***THE IMPACT OF THE ALTERNATIVE
WORK SEARCH PLAN
ON CLAIM DURATION***

PREPARED BY: THE QUALITY CONTROL SPECIAL STUDY TEAM

EXECUTIVE SUMMARY

The catalyst for this Quality Control Special Study arose out of an Agency need to produce and implement a work search plan that would reduce the Quality Control error rate for verified job contacts while not adversely affecting the average duration of claims. Since the inception of the QC program in New Jersey, the verification of claimant's active search for work contacts has resulted in the single, highest error category for key weeks and overpaid dollars.

In an effort to address this problem, an alternative active work search plan or treatment was developed that would significantly reduce the error rate and intensify the exposure to reemployment services. The plan allowed the claimants to use their own job search techniques for securing new employment during the first part of the claim since other studies had shown that Agency intervention during this period had very little affect on securing work. At a latter point in the claim, a joint Unemployment Insurance - Employment Service registration and job counseling interview was held, at which, claimants were registered with ES if they had not already done so voluntarily, scheduled for an individual Eligibility Review Interview (ERI) and exposed to the ES resources. When the individual ERI was held, the claimant was informed that the traditional active search for work (ASW) of three in-person contacts was to be enforced starting with the 11th week

and for the remaining duration of the claim. Because of this approach, the error rate attributable to unverifiable job contacts was expected to greatly decrease.

While the benefit of this plan was already perceived, the impact of waiving the requirement of listing in-person job contacts for the initial ten weeks needed to be investigated for the possibility that the duration of the claim might increase and thereby render the proposed alternative work search plan a fiscally irresponsible option. If the results revealed that the duration of claims was not affected by this more reasonable approach to the work search policy, the QC error rate could be significantly reduced, and as an additional benefit, personnel previously involved with the ASW verification activity could be reallocated to a more productive capacity.

To analyze this hypothesis claimants were randomly selected from four local offices and either assigned to an experimental group or a control group. The experimental group was not required to document their work search contacts until the 11th week of continuous benefits. At the eighth week, the experimental group received a group orientation with the assistance of the Employment Service followed in two weeks by an Eligibility Review. The control group was required to document a work search for each week of benefits claimed through the course of the claim and ERI's were scheduled according to standard selection techniques. All the

participants in the study were observed until the benefit year was exhausted and the records of claim durations were complete.

The results indicate that the experimental group treatment which eliminated the documented work search for the first ten weeks of the claim and included an intensive work enhancement program did not statistically increase the duration of these claims. Another significant finding was that the experimental group showed a four percent decrease in exhaustions as compared to the control group. Regression analysis of the data found that there were no vital differences in the results found among the four local offices used in the study.

Although the four local offices selected for this study were demographically diverse, the sample cannot be considered a statewide sample. Extrapolating the conclusions found in this study to the entire population of people receiving benefits in New Jersey may not be precise. Another item that should be mentioned about the study design is that there was only one treatment group used in this study, and therefore, only one alternative work search policy was tested. A similar study performed in Washington (Evaluation of the Impacts of the Washington Alternative Work Search Experiment), for example, used three different treatments that were compared to the control group. The control group used in that study was comparable to this study in that the Washington claimants were required to produce three verifiable work search

contacts for each week claimed. Also an ERI was scheduled at approximately week 14 of the UI claim.

These findings confirm the viability of the alternative active search plan used in this study which allows the claimants to rely on their own work search methods for the first eight to ten weeks of the claim and is complemented with extensive reemployment assistance at a time when the claimant may be more receptive to the idea. If the alternative work search policy is implemented in total, some important considerations concerning space for group UI-ES presentations, staff and training would need to be addressed. However, some of these problems would be offset by the increased availability of staff previously used for ASW verification during the early part of the claim.